MASS. EL1.2: M38/6

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Massachusetts Bulletin for People with Medicare
January 1, 2000

Introduction
This bulletin provides basic information regarding the Medicare Supplemental (Medigap) insurance and Medicare managed care plans (HMOs) that are available to most Massachusetts residents with Medicare effective January 1, 2000.

Included are charts that list insurers that are approved to sell non-group Medigap and Medicare managed care plans to individuals in Massachusetts. The charts include premium costs, phone numbers to request plan information, some benefit information and HMO service areas by county.

It is important that you obtain current plan information from the insurers and compare the benefits and cost of the plans available to you.

The Original Medicare Plan
The Original Medicare Plan is also known as "fee-for-service." This plan is available throughout the United States. The Original Medicare Plan consists of two parts, Part A (Hospital Insurance) and Part B (Medical Insurance).
In the Original Medicare Plan:

- You may go to any doctor, specialist, or hospital that accepts Medicare.
- You pay the monthly Part B premium which is usually deducted from your Social Security, Railroad Retirement, or Civil Service Retirement payment.
- You pay your deductible each year before Medicare pays its part.
- You pay co-payments specified in the plan.
- You receive an Explanation of Benefits or Medicare Summary Notice in the mail detailing charges and what Medicare paid.

Refer to your **Medicare & You 2000** handbook for details of the Medicare program or call 1-800-MEDICARE (1-800-633-4227(TTY/TDD: 1-877-486-2048) for a free copy.

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Publication No. 18135 - 12 - 200 - 4/00 - .33 - C.R.
Approved by: Philmore Anderson III, State Purchasing Agent

Supplement Insurance
There are several types of private health insurance plans that pay for some or all the health care costs not covered by Medicare including deductibles, co-payments and other services like prescription drugs. Private supplemental insurance plans include:

- Employee Coverage (from an employer or union)
- Retiree Coverage (from a former employer or union)
- Medigap Insurance (from a private company or group)

Information on employee, retiree or other group plans must be obtained directly from the employer, former employer, union or other group. This document covers individual and membership association plans indicated on the attached charts.

What is Medigap?
Medigap policies pay many gaps that the Original Medicare Plan does not cover and may pay for some services not covered by Medicare. However, Medigap plans do not fill all of the gaps in Medicare coverage.
Medigap insurance must comply with Federal and State laws. All Medigap policies are clearly marked "Medicare Supplemental Insurance."

There are three standard Medigap plans that can be sold in Massachusetts:

- Medicare Supplement Core
- Medicare Supplement 1 (no outpatient prescription drug coverage)
- Medicare Supplement 2 (outpatient prescription drug coverage: ($35 deductible per calendar quarter; 100% coverage for generic drugs, 80% coverage for brand-name drugs and no maximum limit for drug benefit)

See the attached chart "Three Standard Medigap Plans Offered in Massachusetts" to compare the basic benefits of each plan. See the second chart for a listing of private insurance companies approved by the Massachusetts Division of Insurance to sell Medigap policies in Massachusetts.

Open Enrollment Period for Medigap Plans: February and March
The annual Open Enrollment Period for Medigap plans starts February 1st and ends March 31st. Medigap insurers must accept enrollment for most people enrolled in Medicare regardless of age providing the insurer receives an application during the open enrollment period.

Individuals under age 65 who are eligible for Medicare solely due to End-Stage Renal Disease (permanent kidney failure with dialysis or a transplant) are not eligible for any of the Medigap plans.

If enrolled during the open enrollment period, benefits usually begin on June 1st. Medigap companies in Massachusetts cannot deny or limit coverage based on pre-existing health conditions.

Medicare Supplement 2 is the only Medigap policy that provides unlimited coverage *for outpatient prescription drugs*. All Medigap insurers are required to offer Medicare Supplement 2 during the annual open enrollment period (February 1st – March 31st) or when a person is initially eligible for coverage. Usually Medicare Supplement 2 is not available at any other time.

Initial Eligibility Enrollment in Medigap

A person is initially eligible for coverage during a six month enrollment period starting when the person:

- enrolls in Medicare Part B for the first time, or
- becomes a resident of Massachusetts, or
- moves out of the service area of a HMO plan, or
- loses employer-sponsored health plan because the job ended, the employer stopped providing coverage to its active employees, or the employer went bankrupt.

If you are initially eligible for coverage, your new Medigap policy can begin almost immediately.
You may be eligible to purchase Medigap coverage under certain federal provisions when other health insurance ends or is lost; Insurers are required to notify you if you are eligible under these provisions.
Federal law also provides for open enrollment for people upon turning age 65 who became eligible for Medicare Part B benefits before age 65.

Prior to choosing a Medigap policy and a Medigap Insurance Company you should compare the cost and benefits of each plan and insurer in detail. Be sure to obtain most up-to-date information in writing from the specific health plan.

To help you understand and compare your Medigap choices, call **SHINE** (Serving the Health Information Needs of Elders) at 1-800-882-2003,TTY/TDD: 1-800-872-0166(for the hearing and speech impaired.

Medicare Managed Care Plans

Medicare managed care plans are offered by private Health Maintenance Organizations (HMOs) that have contracted with the Health Care Financing Administration on a capitation cost basis to provide Medicare covered medical services. Contracts are effective and renewed on a calendar year basis. Each year HMOs may join or leave the Medicare program. Doctors, however, can join or terminate their services with the HMO at any time.

HMOs provide benefits through a network of doctors, hospitals and other health care providers.

If you join a Medicare managed care program plan; you remain in the Medicare program and will continue to receive equivalent Medicare benefits including your rights and protections. However, you must continue to be enrolled in Medicare Part A and Part B and continue to pay the Part B premium while enrolled in a Medicare managed care plan.

Some considerations when evaluating Medicare managed care plans

- Most HMOs provide limited out-patient prescription coverage and other services not covered by Medicare such as routine physical examinations, limited dental care, allowances for eyeglasses and hearing aids and discounts on health and weight management programs.
- HMOs may add or delete benefits and services not covered under the Medicare plan.
- HMOs may charge a monthly premium and require co-payments in addition to your monthly Medicare Part B premium.
- You do not need to purchase a Medigap policy. Generally, it is not legal for anyone to sell you a Medigap policy if you are in a Medicare managed care plan.
- You must select a primary care physician (PCP) from the HMO directory who determines your need to receive health services.
- Generally, you must get a referral from your PCP to see a specialist or receive health care services not provided by the PCP.
- The Medicare managed care plans available for coverage starting on January 1, 2000 shown in the attached chart **do not provide** unlimited prescription drug coverage (unlimited drug coverage was eliminated from all Massachusetts HMOs January 1st 1999).

Enrollment for Medicare Managed Care Plans (HMOs)

With the exception of United HealthCare, Medicare managed care plans (HMOs) in Massachusetts enroll eligible applicants continuously throughout the year. Some HMOs provide limited prescription drug benefits that range from $125 to $200 each 3-month period. See attached HMO charts for specific plan information.

Medicare managed care plans cannot exclude or limit coverage for pre-existing health conditions except for End-Stage Renal Disease (permanent kidney failure treated with regular dialysis or a kidney transplant).

You can join a Medicare managed plan if:

- You are enrolled in both Medicare Part A (Hospital Insurance) and Part B (Medical Insurance)
- You do not have End-Stage Renal Disease. However, if you have End-Stage Renal Disease and are already in a plan, you can stay in your plan.
- You live in the service area of the plan. In general, if you move out of the plan's service area you cannot stay in the plan. You can choose to disenroll and then be covered under Original Medicare or join another Medicare managed plan in your new area.

Questions to Ask When Shopping for Health Care Insurance to Supplement Basic Medicare

- **Quality:** How well does the plan keep its members healthy or treat them when they are sick?
- **Cost:** What are the out of pocket costs? premiums, deductibles, co-payments? Are they subject to change? If so, when and how much.
- **Compare:** How do cost /quality/benefits compare to other HMOs? Medigap?
- **Prescriptions:** Do I need prescription coverage? If so, how much? cost? If so, how much coverage? Do I use enough drugs to justify paying the extra premium cost for Medigap Supplement 2? Or, should I pay for my prescription drugs out of my own pocket?
  Am I eligible for the Commonwealth of Massachusetts PHARMACY Program, which can pay for some or all of my drug costs? Am I qualified for other health care assistance programs?
- **Choice:** Do I want to choose any doctor, specialist or other Medicare provider (Original Medicare Plan) or am I willing to be restricted to primary care doctors and other providers that belong to the HMO selected by me.
- **Changes**: Are benefits beyond basic Medicare benefits subject to change?
- **Paperwork:** How much paperwork do I have to do?
- **Grievances:** How does the plan respond to grievances?

Be sure to examine and compare each HMO's benefit plan. Consult with your doctor and other health care providers for their input.

Health Care Assistance Programs
Before you buy a Medigap policy or Medicare managed care plan, based on financial need, you may eligible for programs that may pay your Part B premium or help pay for the gaps in Medicare and other health care services. To get more information or an application, contact the agencies listed below.

MassHealth for Help with Medicare Premiums and Co-payments
Call the MassHealth Enrollment Center at **1-888-665-9993(TTY: 800-596-1272)** to request an application. For more information about cost saving programs, contact the **SHINE** (Serving the Health Information Needs of Elders) counseling program at **1-800-882-2003 (TTY: 800-872-0166).**

Massachusetts Pharmacy Programs
The **Senior Pharmacy Program** provides up to $1250 per year to help pay for prescription drugs. For eligibility you must be a (1) Massachusetts resident (2) age 65 or older or under age 65 with a disability (3) work less than 40 hours per month (4) gross annual income less than $15,492(individual) or $20,769(married couple).

The **Pharmacy Program *Plus*** program provides an unlimited prescription benefit for elders and younger people with disabilities who incur high prescription costs relative to their incomes.
Call **1-800-AGE-INFO (1-800-243-4636) or TTY: 1-800-813-7787(for the hearing and speech impaired)** for information and an application.

The MassHealth Program: Full health care benefits for low income elders, disabled working adults and disabled children. Call the MassHealth Program at the Division of Medical Assistance at **1-800-841-2900 (TTY:1-800-497-4648).**

The Free Care Pool: Hospitals are required to provide certain people with free care in their facilities. Call or visit your local hospital's billing department or the Division of Health Care Finance and Policy at **(617) 988-3100.**

Drug Company Programs: More than 50 drug companies offer **free** prescription drugs to people of all ages who qualify. Each drug company has different guidelines. Ask your doctor if your drug is available through this program. For help with this system or information about other drug coverage options, please contact the SHINE Counseling Program at **1-800-882-2003 (TTY: 800-872-0166)**

Federally Qualified Health Center: Medicare pays for some health services that are not otherwise Medicare-covered services, such as preventive care, when they are received at a federally qualified health center. To find out whether one of these centers serves your area, call **1-800-638-6833 (TTY/TDD 1-800-820-1202).**

If you have a question or problem concerning your insurance, or you believe that an agent, broker or company has treated you unfairly, call the **Division of Insurance Consumer HELP LINE 1-617-521-7777 (TTY/TDD 617- 521-7490)**. The Springfield area phone number is **1-413-785-5526.** The Division of Insurance has a website at **http://www.state.ma.us/doi.**

HMO members may contact the Massachusetts Managed Care Ombudsman **1-800-436-7757** for assistance in understanding rights and the grievance process available to HMO members. The Managed Care Ombudsman has a website at **http://www.state.ma.us/ombud/**

Call the Social Security Administration at **1-800-772-1213 (TTY: 1-800-325-0778)** for Medicare enrollment information, replacing a lost Medicare card or changing your address.

Call the **Medicare Hotline** at **1-800-638-6833 (TTY/TDD 1-800-820-1202)** for information about Medicare, Medicare HMOs and to order free Medicare publications including the "Medicare & You 2000" handbook. Visit the Medicare web site at www.medicare.gov for information regarding the Medicare program and Medicare related health insurance plans.

For free one-on-one health insurance information, counseling and assistance contact the **SHINE** (Serving the Health Information Needs of Elders) counselor in your area at your local Council on Aging or call the Executive Office of Elder Affairs **1-800-882-2003 (TTY/TDD 1-800-872-0166** for the hearing or speech impaired). The phone number for calls made from out-of-state is **617- 727-7750**.

Three Standard Medigap Plans Offered in Massachusetts
Comparison of Plan Types

Basic Benefits In All Plans:	Medicare Supplement Core	Medicare Supplement 1	Medicare Supplement 2
Medicare Part A/ Hospital Stay: Coinsurance for 61st–90th day in each benefit period; coinsurance for 60 Medicare lifetime hospital reserve days; additional 365 lifetime days covered in full. **Medicare Part B/ Medical Expenses:** Coinsurance - generally 20% of Medicare approved expenses **Blood:** First 3 pints of blood each year.			
Additional Benefits:			
Medicare Part A Hospital Stay Deductible $776 per benefit period in 2000	No	Yes	Yes
Medicare Part A Nursing Facility Coinsurance $97 per day for 21st–100th day in 2000	No	Yes	Yes
Medicare Part B Annual Deductible $100	No	Yes	Yes
Foreign Travel Medicare-covered services while abroad	No	Yes	Yes
Mental Health Hospital Stays	60 days per calendar year	120 days per benefit period	120 days per benefit period
Outpatient Prescription Drugs $35 deductible each calendar quarter, then 100% coverage for generic drugs 80% coverage for brand-name drugs	No	No	Yes

As of 01/27/2000

2000 Medicare Part A Benefits and Gaps

(Chart outlines gaps in Medicare coverage. Refer to Medicare Handbook For complete list of Medicare benefits.)

Coverage	Beneficiary Pays	Medicare Pays
Medicare Part A		
Inpatient Hospital Care*		
Days 1-60	$776 deductible	Balance
Days 61-90	$194 per day	Balance
Days 91-150 (*lifetime reserve days*)	$388 per day	Balance
All additional days	All costs	Nothing
Semiprivate room and board, general nursing and other hospital services and supplies.		
Skilled Nursing Facility Care*		
Days 1-20	Nothing	All costs
Days 21-100	$97.00 per day	Balance
All additional days	All costs	Nothing
After three-day hospitalization and admitted to a skilled nursing facility approved by Medicare within 30 days of discharge.		
Home Health Care** Part-time or intermittent skilled care, home health aide services, and	Nothing	Up to 35 hours per week
Durable Medical Equipment and Supplies	20% of approved amount	80% of approved amount
Hospice Care Pain relief, symptom management and support services for the terminally ill.	Small co-payments for inpatient respite and drugs	Balance
Blood	For first 3 pints	All but first 3 pints per calendar year

*A benefit period provides 90 days of hospital care, if needed. A new benefit period begins each time the beneficiary is out of the hospital or has not received skilled nursing care from any other facility for 60 consecutive days.

Part A Premiums for Voluntary Enrollee (individuals who must purchase Part A):

30-39 work quarters	$166/month in 2000
0-29 work quarters	$301/month in 2000

Refer to Medicare & You 2000 Handbook for more information about Medicare benefits. Or call Medicare Part A at 1-800-888-4997 TTY: 1-800-559-0443)

2000 Medicare Part B Benefits and Gaps

(Chart outlines gaps in Medicare coverage. Refer to Medicare & You 2000 Handbook for more information about Medicare benefits. Or call Medicare Part B at 1-800-882-1228 TTY: 1-800-559-0443)

Coverage	Beneficiary Pays	Medicare Pays
Medicare Part B		
Medical Expenses • Doctors' services • Inpatient and outpatient medical services and supplies • Physical and speech therapy • Diagnostic tests • Ambulance services Medicare also pays for other medically necessary services, see Medicare Handbook.	$100 deductible* plus 20% ** of Medicare's approved amount. Limited charges above the approved amount may apply for some Part B providers.	80% of Medicare's approved amount after $100 deductible has been met. Reduced to 50% for most outpatient mental health services.
Clinical Lab Tests Blood tests, urinalysis, and more.	Nothing for tests if medically necessary.	Generally 100% of approved amount.
Home Health Care Part-time or intermittent skilled care, home health aide services, and **Durable Medical Equipment and Supplies**	Nothing 20% of approved amount	Up to 35 hours per week 80% of approved amount
Outpatient Hospital Treatment	After $100 deductible, 20% of the **hospital charges** (not limited to approved amount).	Medicare payment to hospital based on hospital cost.
Blood	For first 3 pints, plus 20% of approved amount (after $100 deductible).	80% of approved amount (after $100 deductible and starting with the 4th pint).

* Once you have incurred $100 of expenses for Medicare-covered services in any year, the Part B deductible does not apply to any further covered services you receive for the rest of the year.

** Part B Coinsurance is paid after you have met the annual Part B deductible of $100 for covered services in 2000. A 20% coinsurance amount applies to most physician services. A 50% coinsurance applies to most outpatient mental health services. Monthly Part B Premium is $45.50 per month for 2000.

Services Not Covered by Medicare (partial list only): Private Duty Nursing, Experimental Procedures, Care Outside of the U.S., Custodial Care at Home, Custodial Care in Nursing Home, Outpatient Prescription Drugs, Hearing Aids, Eyeglasses (generally), Most Chiropractic Services, Dental Care, Acupuncture, Routine Physicals, or Private Hospital Room.

Medicare Supplement Plans Offered in Massachusetts

Medigap Carriers Please note that rates may change in 2000	Monthly Premiums for Policies Medicare Supplement Core	Medicare Supplement 1	Medicare Supplement 2
Association Plans			
Allianz Life Insurance Company of N.A. Only for members of Air Force Sergeants Assn **1-800-882-5541** Only for members of Fleet Reserve Assn **1-800-424-1120** Only for members of Marine Corps Assn **1-800-424-5181** Only for members of Nat Assn of Retired Fed Emp **1-800-233-5764** Only for members of National Rifle Assn **1-877-672-3006** Only for members of Reserve Officers Assn of USA **1-800-247-7988** **(open enrollment: Feb-Mar; at initial eligibility)**	$52.00 (effective 6/01/00 $57.17)	$98.50 (effective 6/01/00 $108.25)	$222.42 (effective 6/01/00 $244.42)
Hartford Life Insurance Company Only for members of The Retired Officers Assn **1-800-247-2192** **(open enrollment: continuous)**	$44.90	$102.35	$286.26
Lincoln National Life Insurance Company Only for members of Military Benefit Assn **1-800-336-0100** **(open enrollment: continuous)**	$53.09	$ 78.19	$116.30
United HealthCare Insurance Company Only for members of Amer Assn of Retired Persons **1-800-523-5800** **(open enrollment: Feb-Mar[2]; at initial eligibility[1])**	$71.50 (effective 6/01/00 $78.50)	$113.75 (effective 6/01/00 $124.75)	$286.00 (effective 6/01/00 $314.25)
Individual (Non-Group) Medigap Plans			
Blue Cross & Blue Shield of MA (Medex) **1-800-258-2226** **(open enrollment: Feb-Mar; at initial eligibility[1])**	$59.38 (effective 3/15/00 $65.25)	$111.25 (effective 3/15/00 $112.22)	$286.26 (effective 3/15/00 $314.59)
Oxford Life Insurance Company **1-877-469-3073** **(open enrollment: Feb-Mar; at initial eligibility; and in 2000 through December 31, 2000)**	$65.00	$106.00	$286.00

1. Plan offers discounted rates to certain members joining when initially eligible.
2. Plan adds surcharge for enrollment after initial eligibility period.

As of 4/06/2000

Medicare HMO Plans Offered in Massachusetts
For Coverage in 2000

Please note that the following rates for Medicare HMO plans, offered through a contract with the federal government, must be reviewed by the Massachusetts Division of Insurance. Contact the company for final approved rates effective in 2000.

Medicare HMO	Monthly Premium	Office Copay	Prescription Drug Benefit	Service Area by County
Fallon Community Health Plan, Inc. **1-800-868-5200** **(continuous enrollment)**	Senior Saver $0.00	$5	$175 per calendar quarter at discounted price ($700 total per year) Copayments (90-day): $ 8 for Generic $ 15 for Brand-name	All of Suffolk; parts of Essex, Franklin, Hampden, Hampshire, Middlesex, Norfolk, and Worcester
Harvard Pilgrim Health Care, Inc. **1-800-779-7723** **(continuous enrollment)**	First Seniority $0.00 to $50.00 See Service Area by County	$5	$200 per calendar quarter at retail price ($800 total per year) Copayments (30-day): $ 5 for Generic $10 for Preferred Brand $25 for Non-preferred Mail Order (90-day): $ 8 for Generic $15 for Preferred Brand $75 for Non-preferred	Barnstable $50, Bristol $50, Norfolk $0, Plymouth $30, Suffolk $0, Worcester $30, part of Essex $0, and part of Middlesex $0. **(Please note that this plan has federal government approval to limit new enrollment in Barnstable, Bristol and Worcester Counties in the year 2000 – call plan for details.)**
HMO Blue **Blue Cross Blue Shield** **1-800-678-2265** **(continuous enrollment)**	Blue Care 65 $25.00	$0	$125 per calendar quarter at discounted price ($500 total per year) No Copayments	Barnstable, Bristol, Essex, Franklin, Hampden, Middlesex, Norfolk, Plymouth, Suffolk, Worcester, and part of Hampshire
Tufts Associated Health Plan **1-800-246-2400** **(continuous enrollment)**	Secure Horizons $0.00 to $35.00 See Service Area by County	$5	$150 per calendar quarter at negotiated price ($600 total per year) Copayments (90-day): $ 8 for Generic $15 for Preferred Brand $35 for Non-preferred	Barnstable $30, Bristol $30, Essex $0, Hampden $35, Middlesex $0, Norfolk $0, Plymouth $0, Suffolk $0 and Worcester $0
United HealthCare of New England, Inc. **1-800-448-4481** (open enrollment period: February, March and November; and at initial eligibility)	Medicare Complete $0.00 Medicare Complete with Deluxe Rider $40.00	$15	None Additional coverage for dental, eyeglasses and hearing aids	Part of Bristol, part of Plymouth and part of Norfolk

As of 01/27/2000